FOR MYSORE STATE

Secta. II-27—160,000—48-5-30.

Finance (1947) Department.

Ms SERIES.

G.O. No. 224

224

Dated 30.3.47.

[Despatch Abstract.]

Accounts 1946-47—85A Capital o
on Provincial Scheme of State Trading'- Re
outlay on 1946-7 — Transfer to Rev. Account -
Rev. deficit — Transfer from the Rev. Res. F
to wipe out - Orders issued.

Finance (B.G.) Department.

Accounts, 1946-7 - Net outlay on State Trading Schemes - Transfer to the Revenue Account - Revenue deficit - Drawal from the Revenue Reserve Fund.

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At its meeting on the 28th January 1947, the Cabinet decided (1) that the entire net outlay on State Trading Schemes in 1946-7 should be finally debited to the Revenue Account for that year and (2) that instructions should be issued to the A.G. to transfer from the Revenue Reserve Fund to the Revenue Account an amount in round lakhs of rupees so as to cover the actual revenue deficit for 1946-7 and to leave a part of a lakh as revenue surplus.

2. Net outlay on State Trading Schemes.- At the time the budget proposals for 1947-8 were considered by the Cabinet, it was anticipated that the net outlay on State Trading Schemes during 1946-7 would be Rs.901.36 lakhs. According to the proposals for reappropriations and surrenders under the head '85-A. Capital outlay on Provincial Schemes of State Trading'since received and sanctioned, it is found that the net outlay will amount to Rs.14,44,58,000, i.e. an increase of Rs.543.22 lakhs over the R.E. for 1946-7. Action has been taken separately to provide the additional funds required partly by reappropriation of funds, and partly by obtaining a supplementary grant under the head '63. Extraordinary Charges' in the Revenue Account, to which the outlay will be finally debited.

3. Drawal from the Revenue Reserve Fund.- According to the Revised Estimate for 1946-7, it was estimated that a sum of Rs.826 lakhs will have to be transferred from the Revenue Reserve Fund to the Revenue Account and credited to the head 'LII-A. Transfer from Revenue Reserve Fund' in order to Cover the anticipated Revenue deficit and leave a part of a lakh as revenue surplus. In view of the increases in the net capital outlay on State Trading Schemes, the revenue deficit will be substantively increased. But it is not possible to determine

the.

the amount to be actually transferred from the Revenue Reserve Fund until the final accounts are made up, as it cannot be said now to what extent adjustment will be made by the central Government against provincial revenues for the cost of imported food grains. The A.G. may for the present, be asked to transfer Rs.826 lakhs in the March preliminary account, on the basis of the R.E.1946-7 subject to further adjustment when the final accounts are made up.

4. A draft order with reference to paragraphs 2 and 3 above is submitted for approval. It may be issued after the supplementary estamates for 1946-7 are voted by the Ligislative Assembly on the 29th March 1947.

DEVELOPMENT Department.

Please see that the order reaches the Account General on 29-3-47 if possible, or in any case by 30-3-47 at latest. It should be sent by special messenger in a name - Cover addressed to the Account General by name and marked " "Very Special" and a receipt obtained for it.

. The huge increase in anticipated net outlay on state Trading Schemes is very unfortunate. The main reasons for it should be ascertained, and also the reeasons why a letter estimate could not be made at the time of fixing the budget figure. The matter will have to be explained to the P.A. Committee.

(G.O.224Finance dated 30-347)

/True Copy/

GK.20.5.

GOVERNMENT OF MADRAS
Abstract.

Accounts, 1946-7 - '85-A Capital outlay on Provincial schemes of State Trading' - Net outlay in 1946-7 - Transfer to the Revenue Account - Net Revenue Deficit - Transfer from the Revenue Reserve Fund to wipe out - Orders issued.

FINANCE DEPARTMENT.

G.O.No.224 Dated 30-3-47

O R D E R:

The Government have decided, as in previous years, to transfer to the Revenue Account the entire net outlay in 1946-7 on the State Trading Schemes initially booked under '85-A. Capital outlay on Provincial Schemes of State Trading'. On the basis of the latest information available, the transactions relating to state Trading Schemes in 1946-7 are expected to result in a total net debit of Rs.14,44,58,000 (both Charged and Voted). Necessary appropriation has been provided for the transfer of this debit to the Revenue Account under '63. Extraordinary Charges'. The A.G. is requested to make the necessary adjustment in the Revenue Account in the March Preliminary Accounts for 1946-7 by debit to the head "63. Extraordinary Charges a. Charges in India - Amount transferred from '85-A. Capital outlay on Provincial Schemes of State Trading'", with a corresponding credit to '85-A'. When the final accounts of the year are made up and before they are closed, the necessary further adjustment should be made, so that the net amount actually debited to the Revenue Account will be equal to the actual net outlay under the State Trading Schemes.

2. The Government have also decided that, after finally debiting the net outlay on State Trading Schemes to the Revenue Account as indicated in para 1 above, an account in round lakhs of rupees just sufficient to cover the actual revenue deficit and leave part of a lakh as revenue rupees should be withdrawn from the Revenue Reserve fund and credited to the head "4 II A. Transfer from Revenue Reserve Fund" in the Revenue Account. According to the Revised Estimates for 1946-7, the revenue

deficit

deficit for the year is Rs.825.61 lakhs. The Government anticipate on the bases of later information as to the net ~~work~~ outlay on State Trading Scheme to be transfared to the Revenue Account, the deficit may be larger, but the exact figure cannot be determined until the final accounts figures become available. For the present the Account General is requested to transfer in the March Preliminary Accounts for 1946-7 Rs.826 lakhs to the credit of the head 'LII-A. Transfer from Revenue Reserve Fund' in the Revenue Account by corresponding debit to the deposit head "Revenue Reserve Fund" under "P. Deposits and Advances - II. Deposits not bearing Interest - B. Reserve Funds" When the final accounts of the year 1946-7 are made up and before they are closed, the necessary furtner adjustment should be made so that the amount actually transferred from the Revenue Reserve Fund in round Lakhs of rupees will just cover the actual revenue deficit, after allowing for the final debit of the net outlay on State Trading Schemes to the Revenue Account, and leave a part of a lakh as Revenue surplus.

To the A,G. Madras.

/True Copy/

~~Superintendent~~

GK.20.5.

Superintendent,
MADRAS RECORD OFFICE.

23065

Office of the Accountant General, Madras-9.
Fort St. George, dated the 11th April 1947.
No. Bk.2.

To
The Secretary to the Govt. of Madras,
Finance Department,
Fort St. George, Madras.

Subject: Net Revenue Deficit in 1946-1947 - Transfer from the Revenue Reserve Fund to the Revenue Account.
Reference: G.O.No.Ms.224 dated the 30th March 1947.

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The following adjustment referred to in paragraph 2 of the G.O. cited above has been carried out in the accounts of this office for March 1947, Preliminary.

Dbit.	P.Deposits and Advances.-	
	II.Deposits not bearing Interest.-	
	B.Reserve Funds-	
	Revenue Reserve Fund.-	Rs.8,26,00,000-0-0
Credit.	LII.A.Transfer from Revenue Reserve Fund.-	Rs.8,26,00,000-0-0

2. before the final close of the accounts for 1946-1947 the necessary further adjustments will be made so that the amount actually transferred from the Revenue Reserve Fund in round lakhs of rupees will just cover the actual revenue deficit, and leave

P.T.O.

~~Leaves~~ part of a lakh as Revenue Surplus.

(sd)

Assistant Accountant General.

Lodged + Filed with G.O. 224. Fin Dl 30.3.47. Fin (B.G)

/True Copy/

GK.20.5.

Superintendent,
MADRAS RECORD OFFICE.

21/5